

## Message Text

LIMITED OFFICIAL USE

PAGE 01 RABAT 02678 01 OF 02 091000Z

ACTION NEA-11

INFO OCT-01 EB-08 ISO-00 AID-05 NRC-05 SOE-02 CEA-01  
CIAE-00 DODE-00 H-01 INR-10 INT-05 L-03 NSAE-00  
NSC-05 OMB-01 PM-05 ICA-11 OES-07 SP-02 SS-15  
STR-07 TRSE-00 ACDA-12 PA-01 /118 W  
-----049256 091012Z /10

R 090849Z MAY 78

FM AMEMBASSY RABAT  
TO SECSTATE WASHDC 5347  
INFO USDOC WASHDC  
USDOE WASHDC  
AMEMBASSY ALGIERS

LIMITED OFFICIAL USE SECTION 1 OF 2 RABAT 2678

USDOE FOR SIEVERING

USDOC FOR CAGNE

DEPARTMENT ALSO FOR AID

E. O. 11652: N/A

TAGS: ENRG, MNUC, TECH, EMIN, MO

SUBJ: US/MOROCCAN COOPERATION IN ENERGY DEVELOPMENT: GOM ENERGY  
AND MINES MINISTER MOUSSA SAADI IS ANXIOUS TO MOVE

REFS: (A) RABAT 2341, (B) STATE 106857, (C) STATE 094270,

(D) STATE 101943

1. AS FOLLOW-UP TO SAADI'S INITIAL REPORT ON HIS VISIT TO U.S.

(REF A), AND IN ORDER TO REVIEW NECESSARY IMPLEMENTING ACTIONS ON ALL ISSUES HE DISCUSSED IN WASHINGTON, AMBASSADOR AND SAADI HELD DETAILED TWO HOUR MEETING MAY 5. THIS MESSAGE HIGHLIGHTS KEY SUBSTANTIVE ISSUES SAADI RAISED AND NOW WISHES TO ACT ON. SEPTEL TO FOLLOW COVERS SELECTED INDIVIDUAL TOPICS AND SECTORAL ISSUES IN LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 RABAT 02678 01 OF 02 091000Z

GREATER DETAIL.

2. REPEATING HIS OVERALL VIEW THAT VISIT WAS EXTRAORDINARILY PRODUCTIVE IN TERMS OF SETTING THE STAGE FOR A MAJOR JOINT EFFORT IN ENERGY AREA, SAADI EMPHASIZED THAT TIME HAD NOW COME TO TAKE CONCRETE IMPLEMENTING STEPS. FOLLOWING SECTORS WHERE USG HAS OFFERED TO UNDERTAKE COOPERATIVE ACTION

PER REF B WERE DISCUSSED.

3. NUCLEAR COOPERATION AGREEMENT (NCA). AMBASSADOR REPORTED THAT EMBASSY HAD NOW RECEIVED ENGLISH AND FRENCH TEXTS OF DRAFT MODEL AGREEMENT WHICH WE WOULD SEND TO MINISTRY IMMEDIATELY FOLLOWING RECEIPT OF TEXTUAL CLARIFICATIONS REQUESTED IN RABAT 2603. DRAWING ON REF C, AMBASSADOR ADDED THAT MODALITIES AND VENUE FOR CONCLUDING AGREEMENT WOULD DEPEND ON GOM'S REACTION TO TEXT, BUT ADDED THAT LATTER WAS IDENTICAL TO ONE BEING USED FOR NEGOTIATING ALL NEW AND REVISED U.S. NCA'S, AND HOPED GOM WOULD HAVE LITTLE OR NO PROBLEMS WITH IT. SAADI VENTURED OPINION THAT THERE WOULD BE NO PROBLEMS SINCE GOM HAD LONG SINCE AGREED TO PRINCIPLE OF INSPECTION AND MILITARY NON-USE. AMBASSADOR ALSO RAISED QUESTION OF WHETHER TEXT WOULD HAVE TO BE IN ARABIC AS WELL AS FRENCH AND ENGLISH, SINCE OUR BILATERAL DOUBLE TAXATION TREATY CONCLUDED LAST YEAR IS IN THREE LANGUAGES. SAADI REPLIED THAT ARABIC TEXT WOULD BE DESIRABLE FOR COSMETIC Reasons, BUT WAS NOT AN A PRIORI REQUIREMENT AT THIS TIME. SINCE USG PRESUMABLY NEGOTIATING OR RE-NEGOTIATING AGREEMENTS WITH OTHER ARAB COUNTRIES, HE WONDERED WHETHER WASHINGTON HAD NOT ALREADY PREPARED AN ARABIC VERSION. AMBASSADOR UNDERTOOK TO FIND OUT.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 RABAT 02678 01 OF 02 091000Z

4. OIL SHALE. SAADI SAID VISITS IN WASHINGTON AND COLORADO WERE EXTEREMELY PRODUCTIVE, HIS TENATIVE CONCLUSION BEING THAT OCCIDENTIAL PETROLEUM COMPANY'S IN SITU EXTRACTION PROCESS APPEARED TO BE THE MOST SUITED FOR WORKING MOROCCO'S TIMADHIT DEPOSITS (DETAILS SEPTEL). AMBASSADOR NOTED THAT DOE NOW PREPARED TO SEND TECHNICAL OIL SHALE TEAM PER REF B AND WANTED TO KNOW SAADI'S REACTION TO PROPOSAL. SAADI SAID HE HAD NOT BEEN ALERTED TO OFFER IN WASHINGTON, BUT STRONGLY WELCOMED IT. HE STRESSED, HOWEVER, THAT FOCUS OF TEAM'S WORK SHOULD BE LESS ON TECHNOLOGY AND MORE SPECIFICALLY FOCUSED ON DEVELOPING AN INTEGRATED IMPLEMENTATION PROGRAM, INCLUDING ALTERNATIVE JOINT OR MULTILATERAL FINANCING POSSIBILITIES. RESULTS OF THIS WORK WOULD CULMINATE IN A BILATERAL AGREEMENT ON OIL SHALE DEVELOPMENT. SAADI ALSO REMARKED THAT SECRETARY SCHLESINGER HAD EXPRESSED TO HIM AN ACTIVE INTEREST IN OIL SHALE DEVELOPMENT GENERALLY, AND WAS READY TO ASSIST MOROCCO IN EVERY POSSIBLE WAY. DOE TEAM WOULD BE MOST WELCOME AND SHOULD ARRIVE AS SOON AS POSSIBLE. AMBASSADOR SAID HE WOULD CONVEY TO WASHINGTON SAADI'S DESIRED FOCUS FOR TEAM'S WORK IN MOROCCO.

5. USAID ASSISTANCE IN ENERGY DEVELOPMENT. AMBASSADOR THEN RAISED QUESTION OF AN AID SPONSORED TEAM TO UNDERTAKE PROGRAM OF ACTIVITIES OUTLINED REF D. SAADI RECALLED FRUITFUL MEETING HE HAD HAD WITH AID OFFICIALS IN WASHINGTON AND WAS ANXIOUS TO TAKE UP AGENCY'S OFFER OF FINANCIAL SUPPORT FOR DEVELOPING PILOT PROJECTS IN NON-CONVENTIONAL ENERGY FIELD. OF PARTICULAR IMPORTANCE WOULD BE ASSISTANCE IN LAUNCHING SOLAR ENERGY INSTITUTE (TO BE LOCATED IN MARRAKECH), TOGETHER WITH COOPERATIVE INVOLVEMENT IN HYRDO-SOLAR PROJECT AT TAH' (NEAR TARFAYA BUT WELL TO THE NORTH OF FORMER MOROCCAN/SPANISH SAHARA BORDER). SAADI IS CLEARLY PROUD OF LATTER PROJECT  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 RABAT 02678 01 OF 02 091000Z

(WHICH INVOLVES CHANNELING SEA WATER INTO AN ADJACENT DEPRESSION WITH RESULTING ENERGY PRODUCTION AND THE AVAILABILITY TO SEA SALTS THROUGH CONTINUOUS EVAPORATION), AND CONSIDERS IT A UNIQUE MOROCCAN CONTRIBUTION FOR HARNESSING NON-CONVENTIONAL ENERGY SOURCES.

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 RABAT 02678 02 OF 02 091005Z  
ACTION NEA-11

INFO OCT-01 ISO-00 SOE-02 AID-05 CEA-01 CIAE-00  
DODE-00 EB-08 H-01 INR-10 INT-05 L-03 NSAE-00  
NSC-05 OMB-01 PM-05 ICA-11 OES-07 SP-02 SS-15  
STR-07 TRSE-00 ACDA-12 PA-01 NRC-05 /118 W  
-----049291 091011Z/10

R 090849Z MAY 78  
FM AMEMBASSY RABAT  
TO SECSTATE WASHDC 5348  
INFO USDOC WASHDC  
USDOE WASHDC  
AMEMBASSY ALGIERS

LIMITED OFFICIAL USE SECTION 2 OF 2 RABAT 2678

6. AS TO REF D'S PROPOSAL FOR AID TEAM'S EVALUATION OF OVERALL ENERGY SECTOR AND SUBSEQUENT PRIORITIZATION OF ACTIONS TO BE TAKEN, SAADI SAID WORK IN THIS FIELD HAD ALREADY BEEN DONE IN CONNECTION WITH 1978-82 FIVE YEAR PLAN. GOM KNEW PRECISELY THE RANGE OF ITS ENERGY POTENTIAL AND HAD ALREADY DEFINED ITS ENERGY DEVELOPMENT PRIORITIES THROUGH THE YEAR 2000. HE VOLUNTEERED TO MAKE AVAILABLE FOR AID'S REVIEW THE RESULTS OF HIS MINISTRY'S ANALYSIS, THIS AS THE BEST WAY OF FOCUSSING TEAM'S WORK ON THE TWO PROJECTS FOR WHICH HE MOST ANXIOUS TO SECURE AID ADVICE AND FINANCIAL SUPPORT. AMBASSADOR SAID HE WOULD REPORT SAADI'S REACTION TO WASHINGTON AND BE IN TOUCH.

7. TURNING TO USGS/GOM MEMORANDUM OF UNDERSTANDING (MOU), AMBASSADOR INQUIRED HOW SAADI PROPOSED TO FOLLOW UP ON ISSUES IDENTIFIED IN REPORT ATTACHED TO APRIL 12 REINEMUND LETTER. SAADI REPLIED THAT PRODUCTIVE VISIT WITH USCG HAD CONVICNED HIM MOU WAS INADEQUATE IN SCOPE TO COVER ALL OF THE AVAILABLE OPPURTUNIES LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 RABAT 02678 02 OF 02 091005Z

FOR COOPERATION. ASKED ABOUT THE PROTOCOLS REFERRED TO IN USCG REPORT OF MEETING, SAADI REPLIED THAT HIS MINISTRY WAS NOW DRAFTING LANGUAGE FOR BROADER COOPERATIVE AGREEMENT. DRAFT WOULD INCLUDE ALL OF THE AREAS DISCUSSED IN WASHINGTIN, AND WOULD BE SUBMITTED TO EMBASSY FOR TRANSMITTAL TO USCG FOR LATTER'S CONSIDERATION. AFTER RECEIVING THEIR REACTIONS, MOROCCAN DELEGATION WOULD THEN UNDERTAKE VISIT TO U.S. TO CONCLUDE AGREEMENT AND IDENTIFY AREAS FOR IMMEDIATE IMPLEMENTATION.

8. COMMENT: SAADI CLEARLY REGARDS HIS RECENT VISIT AS A MERE FIRST STEP FOR INCREASING US/MOROCCAN COOPERATION IN ALL ENERGY SECTORS. MANIFESTLY UNINTERESTED IN UNDERTAKING YET FURTHER STUDIES OF MOROCCO'S ENERGY SITUATION PER SE, HE NOW WANTS FURTHER USG VISITS HERE TO BE AIMED AT PUTTING TOGETHER PROGRAMS AND LAUNCHING PROJECTS. FOR EXAMPLE, CONCLUSION OF NCA WILL SET STAGE FOR IMPLEMENTING GENERAL ATOMIC'S RESEARCH REACTOR PROJECT. DOE TEAM IS TO BE FORERUNNER TO, AND PROBABLY, SOURCE OF BASIC INPUT FOR PROPOSED BILATERAL OIL SHALE AGREEMENT. IN SIMILAR VEIN, AID TEAM'S WORK WOULD BE BASIS FOR LATER ACTION IN NON-CONVENTIONAL ENERGY SECTOR. FINALLY, COOPERATION WITH USCG SHOULD AIM TO IDENTIFY AREAS OF COOPERATION FOR SPECIFIC IMPLEMENTATION ACTION. IN ALL OF THE ABOVE, SAADI REFLECTS HIS PREFERRED AND WELL KNOWN APPROACH TO PROJECT DEVELOPMENT: (A) IDENTIFY FEASIBLE PROJECTS, (B) REACH AGREEMENT ON THOSE TO BE IMPLEMENTED, (C) INITIATE PILOT OPERATIONS FOR AGREED PROJECTS,

(D) REVIEW FEASIBILITY OF PILOT OPERATION BEFORE UNDERTAKING INDUSTRIAL SCALE PROJECT. THIS APPROACH GIVES USGS, DOE AND AID FULL OPPORTUNITY TO RAISE KEY FUNDING ISSUES AT EACH STAGE OF ACTION. SAADI DID NOT ADDRESS SOURCE KND SCOPE OF FUNDING IN ANY OF THE ABOVE.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 RABAT 02678 02 OF 02 091005Z

9. ACTION REQUESTED. BELIEVE WE SHOULD ADVISE SAADI IF REVISED TERMS OF REFERENCE IN USGS, DOE AND AID PROJECTS ARE ACCEPTABLE, AND IF SO, TO PROVIDE EXPECTED ARRIVAL TIMES FOR BOTH DOE AND AID TEAM. WE ALSO NEED TO ANSWER SAADI'S QUESTION RE ARABIC NCA TEXT.

ANDERSON

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** SCIENTIFIC COOPERATION, INDUSTRIAL DEVELOPMENT, ENERGY, NEGOTIATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 09 may 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978RABAT02678  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780195-1209  
**Format:** TEL  
**From:** RABAT  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t19780578/aaaacosv.tel  
**Line Count:** 242  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 6012b1a1-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION NEA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 5  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 78 RABAT 2341, 78 STATE 106857, 78 STATE 94270, 78 STATE 101943  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 27 may 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2748172  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** US/MOROCCAN COOPERATION IN ENERGY DEVELOPMENT: GOM ENERGY AND MINES MINISTER MOUSSA SAADI IS ANXIOUS TO MOVE  
**TAGS:** ENRG, MNUC, TECH, EMIN, MO  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/6012b1a1-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014